

WAIVER OF NOTICE AND CONSENT OF SPECIAL MEETING

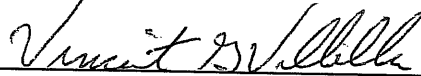
We, the Undersigned, being all members of the Riverhead Town Board of the Town of Riverhead, County of Suffolk, and State of New York, do hereby waive notice of the time, place, date and purpose of a meeting of the Town Board of the Town of Riverhead, to be held at the Town Hall, Riverhead, New York at 10:00 A.M. on the 30th day December of 1999, and do consent to the holding of such meeting for the purpose of:

- Res. #1212 Authorizes the Supervisor to Enter Into An Agreement With New York State Armory.
- Res. #1213 Awards Bid For Police Headquarters Fire Alarm System.
- Res. #1214 Terminates Property Management Agreement Between Town Of Riverhead and Regal Cinemas, Inc.
- Res. #1215 Authorizes Town Supervisor To Execute Contract Between The New York State Department of Environmental Conservation And The Town of Riverhead (Landfill Closure)
- Res. #1216 Authorizes Town of Riverhead to Remove Rubbish, Debris and the Cutting of Grass and Weeds from Property Pursuant to Chapter 96 Entitled, "Trash, Rubbish and refuse Disposal" of the Riverhead Town Code.
- Res. #1217 Appoints Recreation Aides to the Riverhead Recreation Depart.
- Res. #1218 Authorizes Supervisor to Enter Into and Execute Lease Agreement Between the Town of Riverhead and the Riverhead Theatre Corp.
- Res. #1219 Accepts Offer of Sale of Development Rights-Louis Carracciolo.
- Res. #1220 Accepts Offer of Sale of Development Rights-Alan Zilnicki.
- Res. #1221 Accepts Offer of Sale of Development Rights-Robert Krudop.
- Res. #1222 Appoints Marriage Officer
- Res. #1223 General Fund Budget Adjustment
- Res. #1224 Street Lighting District Budget Adjustment
- Res. #1225 Sewer District Budget Adjustment
- Res. #1226 Refuse & Garbage District Budget Adjustment
- Res. #1227 Community Development Agency-Calverton Budget Adjustment

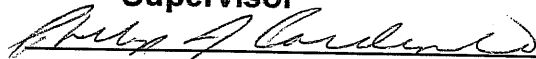
- Res. #1228 Recreation Program Fund Budget Adjustment
- Res. #1229 Highway Department Budget Adjustment
- Res. #1230 Water District Budget Adjustment
- Res. #1231 Municipal Garage Fund Budget Adjustment
- Res. #1232 Joint Scavenger waste District Budget Adjustment
- Res. #1233 Special Trust Fund Budget Adjustment
- Res. #1234 Risk Retention Fund Budget Adjustment
- Res. #1235 Police Emergency Boat Capital Project Budget Adjustment
- Res. #1236 A Resolution Authorizing the Issuance of \$2,250,000 Serial Bonds of The Town of Riverhead, Suffolk county, New York, to Pay the Cost of The Original Improvement and Embellishment of Iron Pier Beach of And For Said Town.
- Res. #1237 Approves Site Plan of Sunken Ponds Estates.
- Res. #1238 Approves Site Pan of Pamela Boyle Bed & Breakfast
- Res. #1239 Authorizes Service Agreement Re: Calverton Sewer District
- Res. #1240 Children's Playground @ Stotzky Park Budget Adjustment
- Res. #1241 "98 Recreation Capital improvement Project Budget Adjustment

Dated: December 30, 1999

Town Board Members
of Riverhead, New York

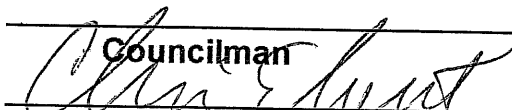


Supervisor



Councilman

Councilman



Councilman

Councilman

Media Notified: Town Board Meeting of December 28, 1999

Suffolk Life

Times Review

Long Island Traveler-Watchman

Minutes of a Special Town Board Meeting held by the Town Board of the Town of Riverhead at Town Hall, Howell Avenue, Riverhead, New York on Thursday, December 30, 1999, at 12:00 p.m.

Present:

Vincent Villella,	Supervisor
Philip Cardinale,	Councilman
Christopher Kent,	Councilman
Mark Kwasna,	Councilman
James Lull,	Councilman

Also Present:

Barbara Grattan,	Town Clerk
Adam Grossman,	Town Attorney

Councilman Kent: "-- delay, there's just a lot of things that had to be worked out. We're still trying to finalize the lease that we have to vote on with Suffolk Theater Corp. so we're just working on that and I think we're ready to call the meeting to order."

Supervisor Villella: "The meeting is now open. Who would like to start the Pledge of Allegiance?"

Barbara Grattan: "You start the Pledge of Allegiance."

Supervisor Villella: "Okay."

(The Pledge of Allegiance was recited)

Supervisor Villella: "Thank you. Play ball. So we're going to have a Special Town Board Meeting kind of late, but I know it was supposed to be done at 10:00. We took care of some contracts and everything and, Barbara, would you like to start?"

Resolution #1212

Councilman Kwasna: "This authorizes the Supervisor to enter into an agreement with New York State Armory. So moved."

Councilman Kent: "Seconded."

Supervisor Villella: "Moved and seconded."

The Vote: "Cardinale, yes; Kent, yes; Kwasna, yes; Lull, yes; Villella, yes. The resolution is adopted."

Resolution #1213

Councilman Cardinale: "Awards a bid for the police headquarters fire alarm system. So moved."

Councilman Lull: "Seconded."

Supervisor Villella: "Moved and seconded."

The Vote: "Cardinale, yes; Kent, yes; Kwasna, yes; Lull, yes; Villella, yes. The resolution is adopted."

Resolution #1214

Councilman Kent: "Resolution 1214 terminates the property management agreement between the Town of Riverhead and Regal Cinemas, Inc. So moved."

Councilman Cardinale: "Seconded."

Supervisor Villella: "Moved and seconded."

The Vote: "Cardinale, abstain; Kent, yes; Kwasna, no; Lull, no; Villella, yes."

Barbara Grattan: "So we have one abstention, two no's, and one yes. Resolution is not adopted. This resolution is not adopted."

Councilman Cardinale: "Let's put it aside for a second. We'll bring it up later."

Resolution #1215

Councilman Lull: "Authorizes the Town Supervisor to execute a contract between New York State Department of Environmental Conservation and the Town of Riverhead having to do with the landfill closure. So moved."

Councilman Kwasna: "Second."

Supervisor Villella: "Moved and seconded."

The Vote: "Cardinale, yes; Kent, yes; Kwasna, yes; Lull, yes; Villella, yes. The resolution is adopted."

Resolution #1216

Councilman Cardinale: "Resolution #1216 authorizes the Town of Riverhead to remove rubbish, debris and the cutting of grass and weeds from property pursuant to Chapter 96. So moved."

Councilman Kent: "In seconding this, I would say that this is an emergency situation we really have to take care of before the new Board comes in because we're not sure how they would vote to take care of this situation so I'll move it and seconded."

Supervisor Villella: "Moved and seconded."

The Vote: "Cardinale, yes; Kent, yes; Kwasna, yes; Lull, yes; Villella, yes. The resolution is adopted."

Resolution #1217

Councilman Kwasna: "1217 appoints a recreation aide to the Riverhead Recreation Department. So moved."

Councilman Cardinale: "I don't have it."

Councilman Kwasna: "Basketball leaders."

Councilman Cardinale: "Yeah, seconded."

Supervisor Villella: "It's moved and seconded."

The Vote: "Cardinale, yes; Kent, yes; Kwasna, yes; Lull, yes; Villella, yes. The resolution is adopted."

Resolution #1218

Councilman Lull: "Authorizes the Supervisor to enter into and execute lease agreement between the Town of Riverhead and the Riverhead Theater Corp. So moved."

Councilman Kent: "Second. Discussion, please. Can we move this resolution without terminating the management agreement with Regal Cinema?"

Supervisor Villella: "It's already been terminated."

Adam Grossman: "I would recommend against moving on this resolution without terminating the management agreement with Regal but it's a decision for the Board to make."

Councilman Cardinale: "Why don't we- "

Adam Grossman: "I believe they're in conflict with one another."

Supervisor Villella: "Why don't we go back to 1214?"

Councilman Cardinale: "I'd like to reconsider 1214 and discuss that in conjunction with this then. So I would move to reconsider 1214."

Supervisor Villella: "Is there a second?"

Councilman Kent: "I'll second it."

Supervisor Villella: "Moved and seconded."

The Vote: "Cardinale."

Councilman Cardinale: "Discussion, please."

Councilman Kent: "Well, we're moving to reconsider it."

Councilman Cardinale: "Oh, okay. Yes to reconsider."

The Vote (Cont'd.): "Kent, yes; Kwasna, yes; Lull, yes; Villella, yes. Reconsider."

Supervisor Villella: "Reconsider. 1214. Discussion, well, let's bring it on now."

Councilman Kent: "Actually it has to be moved and seconded now."

Supervisor Villella: "It has to be moved and seconded to bring it back."

Councilman Kent: "Oh, you want to discuss the reconsideration, or we just voted the reconsideration."

Councilman Cardinale: "We voted to reconsider and now-- "

Councilman Kent: "Now you have to move and second the resolution."

Councilman Cardinale: "Before we move the resolution, I'd like to discuss this."

Councilman Kent: "I think we have to move it in order to-- "

Councilman Cardinale: "Then I'll move it-- Resolution #1214."

Councilman Kent: "I'll second it."

Supervisor Villella: "Moved and seconded."

The Vote: "Cardinale."

Councilman Cardinale: "Okay, I'd like to discuss before considering the vote on this. Adam, as I recall there was a notice already sent terminating this agreement so I was surprised by seeing the resolution."

Adam Grossman: "Okay. There was a notice because there was a section of the lease that provided for a notice of termination. However, I take the position that the notice of termination was simply a notice that the only entity that can terminate the management agreement is the Town Board of the Town of Riverhead and that was just the notice that was a preceding action prior to the termination of the management agreement by the Town Board, and a Town Board action is required."

Councilman Kent: "Well, is it prerequisite-- or condition precedent to the termination of the lease is we provide them with the required notice?"

Adam Grossman: "That's correct."

Councilman Cardinale: "Now, the-- on August 23, 1999, that letter was sent to the Regal Cinemas and I believe that you had-- and I need some recollection here-- you had reviewed that lease at some length-- "

Adam Grossman: "Yes."

Councilman Cardinale: "-- and practically speaking, is there any-- my understanding is, one, it was terminated August 23rd; and secondly, that because certain actions hadn't occurred, that substantively this agreement was terminated some time previous to this."

Adam Grossman: "Well, there was a timetable in the management agreement that required the Town of Riverhead to take certain actions in getting the Suffolk Theater into a certain condition. That actions never took place so I think it's a strong argument at least that the failure of the Town of Riverhead to act on that timetable is a default of the contract-- or the management agreement I should say-- regardless of any action of the Town Board. I think Regal would have a strong argument to make that this management agreement has already been terminated by the failure of the Town of Riverhead to act in a certain fashion as specified in the management agreement."

Supervisor Villella: "Any more discussion? Jim? Now is the time."

Councilman Lull: "I don't believe that the Town Board sitting up here was actively working to terminate that agreement by not moving forward. I believe that was a case of simply not moving forward. And I don't believe that there was any-- in any way that the-- and I agree with you, Adam, that your note of termination does not consist of a termination. But I would assume that if we were going to terminate a lease that took us maybe \$40,000 worth of negotiations to put together in the first place, that if we were going to negotiate-- if we were going to terminate that lease, that we would have some discussion about that at a work session."

Supervisor Villella: "Any other discussion? Mark? Are you all right with it?"

Councilman Kwasna: "Well, the only holdup on the Suffolk Theater was the litigation on Riverhead Center and I believe that was not the fault of the Town Board to not finishing the Suffolk Theater. Also, I don't feel that we should let Regal Theater Group off the hook before we know if we're going to be getting another contract from them in the near future and I just don't feel this is the time to let them off the hook. That's the way I feel."

Supervisor Villella: "Any other discussion?"

Councilman Kent: "But I believe we do have someone-- we have an

entity now that wants to step forward and work with the Town to complete the renovation, to make capital improvements to the theater, and to operate the theater after it's been-- the capital improvements have been made and it's put into a condition where it can be operated. So by not terminating with Regal, we are unable then to enter into the lease agreement with the Riverhead Theater Corp. which is ready at this point to assume the work with the town to make the capital improvements and to operate the theater once the capital improvements are completed.

So, I don't-- I think if we do not terminate the management agreement, we can't enter into the lease agreement with the Riverhead Theater Corp. and I would like to enter into the lease with the Riverhead Theater Corp. and I think they're able to fulfill the obligations that exist in the lease."

Councilman Lull: "See, I don't really see that as an issue. We've been working for a contract with the Riverhead Theater Corp. since last summer. It's been moving along well. It's been moving swimmingly. I believe that it's probably something that will come to pass. But the essence here is we have an agreement and if we made this decision last summer to go ahead with the Riverhead Theater Corp. which we did, and to begin supporting their efforts to rebuild this theater and to open this theater. At the same time, if we had a management agreement with a company that can provide all sorts of assistance, why simply terminate? Why didn't we negotiate out of that lease and find at least something from the-- this company, which is a national company, that they could provide us.

Look, they did not want to be a part of the negotiations for a downtown theater. That's not what Regal Theaters do. But they got into the negotiations because it made sense to them and it made sense to the whole Riverhead Center project. But now that the lease is in existence, why not get from that least some of the assistance whether it just be technical assistance, whether it just be management assistance, whether it just be distribution assistance. Why not, instead of just simply terminating it, why not negotiate it away and find the best parts of it we can find that can help the Theater Corp. with doing what they wish to do?"

Councilman Kent: "I believe one of the conditions for the Regal Cinema to even live up to their end of the bargain agreement is that the theater be completed, the capital improvements be finished, and that the theater be opened. And I believe the agreement was a five year commitment."

Supervisor Villella: "You're missing the most important thing."

Councilman Kent: "I'm missing it? Well, we can raise it after I finish."

Supervisor Villella: "Wasn't there a guarantee that they make so much money?"

Councilman Kent: "I don't know that but you can say that after. But this agreement was entered November 8, 1997 and I believe it was for five years so I think the first thing that has to be done is the Town to complete the capital improvements and I don't know what the schedule is on that, but I would say it to be a minimum of 18 months, maybe even two years, to complete the capital improvements, at which time we may enjoy 10 months of Regal's involvement with the theater.

I'm willing to sacrifice that 10 months of involvement in order to get moving forward with the project-- with the lease with the Riverhead Theater Corp. because I think we have something here that's going to allow us to make the capital improvements that are necessary and to move forward with this theater. I think trying to keep Regal on the hook for maybe 10 months of involvement is not worthwhile but I can understand why-- "

Supervisor Villella: "Okay, I agree with you on that and why don't we move this-- it was moved, seconded, you voted yes-- Phil-- "

Councilman Kent: "We'd have to vote again."

Supervisor Villella: "You already did."

Councilman Cardinale: "I'd like to say something before you vote because I'm not so sure how I'm voting here. I'd like to-- since there's a lot of politics at this, the last meeting of the year, in fact, we could get the next Council up here now, they seem to be anxious to do that.

I'd like to put substance over politics here. The real deal here is on 1218, I am not passing it without the addition of a reopener for 30 days for the new administration to permit them to look at this contract with the theater and if they feel that it is not legally correct or if it is not otherwise correct, they would then have to state reasons to the public to justify their actions. In that-- I don't know-- we've have this discussion often but to no avail-- I don't know what the terms of the Regal Cinema contract are-- "

Supervisor Villella: "Seven percent."

Councilman Cardinale: "I remember that we were told by the group early on when we came in, that looked at it, there was an awful contract. However, the previous administration seems very proud of it for whatever the reason. Maybe correctly, maybe incorrectly. I've not read it closely. But it seems to me that if there's any possibility that what Jim was saying is correct, we have-- we're putting form over substance if we don't leave that option open to the new administration. They're going to have the option to look at number-- what we're about to pass, the theater contract and reopen it, renegotiate it for a 30 day period. If they feel at that point there's any value to going back to Regal and seeing if they can shake their pockets down for a little money or to end this contract, more power to them as long as it's good for the Town of Riverhead."

So I don't see any particular inconsistency in voting no on 1214 and yes as amended on 1218 and that's what I'm inclined to do, unless somebody convinces me otherwise."

Supervisor Villella: "Well, that's good also, Phil. But I just want to mention on that Regal agreement, Bob Giannos mentioned to the Board of Riverhead Theater that they are still on board to help out. The only thing they're going to leave out is they're not going to manage it because they will manage it. Everything else will stay the same."

Now, if Regal doesn't come in, which is a possibility, they have two other theaters that want to come in and they already talked to them and said that they will-- so if you terminate this, it's great, we could get a better agreement for the Town and that's what it's all about. And also to work with the Riverhead Theater Group."

Councilman Lull: "If we terminate it and they decide not to become a part of Riverhead Center, they have terminated it."

Councilman Kent: "Well, it's also conditioned upon them opening a theater at Riverhead Center so right now Riverhead Center is about in the same position as the theater which is nowhere. So unless we take some action in one direction or another, I think we're going to stay exactly where we are, which is nowhere. And I'd rather take action than sit back and wait for other people to take action."

Supervisor Villella: "Right. I think we have a good Board here that they could take care of it. So why don't we get on with the vote

to-- let's terminate the management agreement with Regal Cinemas and I know they will work on-- the new Board will work on a better agreement. I know you will. Because this agreement was very bad."

Councilman Kent: "Okay, so we're voting now on 1214 which is to terminate the property management agreement which we have already voted once and we are voting on a reconsideration now."

Councilman Cardinale: "I'm going to abstain for the reasons I indicated a moment ago. I don't see any consistency with that and voting yes on 1218."

Councilman Kent: "Okay. So then we'll just-- we'll leave them both in place."

Supervisor Villella: "Just forget about it. Just leave it the way it is then."

Councilman Kent: "You're voting-- you're abstaining?"

Councilman Cardinale: "I'm abstaining for reasons-- "

Councilman Kent: "I'll vote yes."

The Vote (Cont'd.): "Kwasna, no; Lull, no; Villella, yes."

Barbara Grattan: "So we went nowhere."

Supervisor Villella: "That's right."

Councilman Cardinale: "We had a long discussion on it."

Supervisor Villella: "That's good, that's good. A discussion on it."

Barbara Grattan: "And what about 1218? What are we going to do with 1218?"

Councilman Cardinale: "Yeah."

Councilman Kent: "That's been moved-- "

Councilman Lull: "It has been moved and seconded."

Councilman Kwasna: "Is this the one with the amendment to it?"

Councilman Kent: "Let's move to amend."

Councilman Cardinale: "I would ask that this matter be-- I would ask for an amendment prior to offering it for a vote. The amendments would be the addition-- the amendment would be a #6, paragraph 6, where-- on the second line where it indicates three years, should indicate two years. The second amendment would be to add a new paragraph 12 which reads, landlord shall have the option during the period January 1, 2000 through January 31, 2000 to terminate this lease upon notice to tenant at the above indicated address by certified mail, return receipt requested. With that amendment-- with those two amendments, I would offer and I would offer it, the resolution."

Supervisor Villella: "Is there a second?"

Councilman Kent: "I'll second the amendment."

Supervisor Villella: "Moved and seconded with the recommendations, amended."

The Vote: "Cardinale."

Councilman Cardinale: "Yes. With those amendments, I'm going to vote yes. I'm also going to point out that there is a lease escalator clause for the last few years of this lease not present in the present lease and for that reason I'd like to revisit it myself during the first weeks of January. I believe that as I said with the Grumman transaction with Burman, if it's a good deal today, it will be a good deal next week. I have-- I think that we should be humble. We lost the-- the administration coming in has the job of running the town. I think I expect them to run it in the best interests of the town, to be honest, and if they're honest, I think they'll come to the same conclusion this Board has come to, that this is a good lease, considering the alternatives."

I am pleased incidentally about this lease. That it does not commit any public funds. It does not commit any public funding. It is clear to me that the capital improvements, that this group, which is impressive, if you look at its members, is inevitably going to accomplish during the first two years, that would be at least \$200,000, has got to be the equivalent of any-- much greater than any rent we could possibly get for this location. So I think it would be as I pointed out a few weeks ago, despite my preference initially to sell this parcel and get out of the real estate business, I think it

would be foolhardy for us not to give this group an opportunity to succeed. Accordingly, I vote yes."

The Vote (Cont'd.): "Kent."

Councilman Kent: "I don't feel this is a political action whatsoever. I was ready to take this action last summer and I'm ready to take it today. I think this group that has been put together to assume responsibility for the capital improvements, management and operation of the theater is an excellent group and I think that it's important that we move forward with this. It has been too long in coming. I think the mistake was made by the Town years ago when they first purchased the building and I think every Town Board since has been remiss in not dealing with this situation. I think it should have been dealt with within the first few months that we were here and I'm glad that we're able to do it before the end of this year.

It's a terrible shame that anybody would think that this is a political maneuver. I don't think it is a political maneuver. I think it's one that we need for economic revitalization of Main Street, is to get this theater back in operation. And I think coupled with the opening of the aquarium, hopefully the science museum, the theater will be the heart of that downtown revitalization project and program, and I think it's important that we move forward with this.

I do think there should be an escalator clause in the rent and one had been negotiated. That was done probably two months ago and I'm surprised that it's not in here. So knowing that we have the opportunity to reopen this within the next 30 days I'm prepared to vote yes today as I was prepared to vote yes four months ago. And my vote is yes."

The Vote (Cont'd.): "Kwasna, yes; Lull."

Councilman Lull: "I agree with Chris. This is a positive move forward. I believe that there are a variety of different things that need to be done. We have 30 days to continue doing that and continue working and I don't think there will be a particular problem.

The second Whereas clause does indicate that this is an unlisted action. We do not have the official designation of this as an unlisted action. That will be among the-- what will be done during the 30 days, too. This-- the SEQOR determination must be completed. The time that we have set aside, we'll be able to do that. I also hope that the next contract we get to look at will not be a contract

that has crossouts and corrections. I prefer that they be completed by the time we get them, but I'll vote yes."

The Vote (Cont'd.): "Villella."

Supervisor Villella: "This is something that I've been working on for the last two years and I did have some buyers for the property but \$250,000 was the highest and I don't think, especially if we have an appraisal for \$500,000, I wasn't going to accept-- I didn't even bring it to the Board because I thought it was a slap in the face, but we had two people that were interested, one was for \$200,000; one was for \$250,000. They said let's take it off your hands. So that's when I started forming, trying to get this group for Riverhead Theater, and the Board of Directors of that group, I think, will-- is the mainstay of the Town of Riverhead, the people that live here and it's from all walks. It's not politically appointed; it's nothing political. If it was political, I would have sold this for \$250,000, get the white elephant off my back.

I wanted to do what's best for the town residents and that's all I've been doing on this job. And that's the reason why I'm voting yes for this."

Barbara Grattan: "Okay. Resolution is adopted."

Resolution #1219

Councilman Kwasna: "Accepts the offer of sale of development rights for Louis Carraciolo. So moved."

Councilman Cardinale: "Seconded."

Supervisor Villella: "Moved and seconded."

The Vote: "Cardinale, yes; Kent, yes; Kwasna, yes; Lull, yes; Villella, yes. The resolution is adopted."

Resolution #1220

Councilman Kent: "Accepts the offer of sale of development rights for Alan Zilnicki. So moved."

Councilman Lull: "Second."

Supervisor Villella: "Moved and seconded."

The Vote: "Cardinale, yes; Kent, yes; Kwasna, yes; Lull, yes; Villella, yes. The resolution is adopted."

Resolution #1221

Councilman Lull: "1221 accepts the offer of sale of development rights from Robert Krudop. So moved."

Councilman Kent: "Seconded."

Supervisor Villella: "Moved and seconded."

The Vote: "Cardinale, yes; Kent, yes; Kwasna, yes; Lull, yes; Villella, yes. The resolution is adopted."

Supervisor Villella: "And I want to thank all three of them for preserving as much farmland as possible and keeping it in the farm community. I want to thank-- I think-- well, Rob's here anyway so I want to thank you very much for joining the program."

Councilman Lull: "And a special thanks to Hoot Sherman and Julie Wesnofske. They've done a great job for our farm preservation program."

Resolution #1222

Councilman Kwasna: "1222 appoints Barbara Grattan as marriage officer of the Town of Riverhead. So moved."

Councilman Lull: "Second."

Supervisor Villella: "Moved and seconded."

The Vote: "Cardinale, yes; Kent, yes; Kwasna, yes; Lull, yes; Villella, yes. The resolution is adopted."

Resolution #1223

Councilman Lull: "1223 is general budget fund adjustment. So moved."

Councilman Kent: "Seconded."

Supervisor Villella: "Moved and seconded."

The Vote: "Cardinale."

Councilman Cardinale: "These are interdepartment, aren't they?"

Councilman Kent: "There's none coming out of the-- "

Councilman Cardinale: "I hope somebody keeps track about who lives up to their budgets-- "

Supervisor Villella: "Oh, yeah, we keep up with it."

Councilman Cardinale: "Apparently some do and some don't. And I'm very well aware that there's some very good reasons why you might not and there are some very lousy reasons why you might not live up to your budget projections. Obviously a lot of people don't-- a lot of departments don't."

Councilman Kent: "There's nothing coming out of fund balance here so this is-- "

Councilman Cardinale: "So these are-- "

Councilman Kent: "Well, I don't know if they're all interdepartment but it seems like the bulk of the money is coming out of the retirement expense."

Councilman Lull: "Yeah, the biggest number is coming out of the retirement and the biggest number is going into reserve-- insurance reserve."

Councilman Cardinale: "Yes."

The Vote Cont'd.): "Kent, yes; Kwasna, yes; Lull, yes; Villella, yes. The resolution is adopted."

Resolution #1224

Councilman Kwasna: "It's a street lighting district budget adjustment of \$5,700. So moved."

Councilman Kent: "Seconded."

Supervisor Villella: "Moved and seconded."

The Vote: "Cardinale, yes; Kent, yes; Kwasna, yes; Lull, yes;

Villella, yes. The resolution is adopted."

Resolution #1225

Councilman Cardinale: "This is a sewer district budget adjustment. So moved."

Councilman Lull: "Second."

Supervisor Villella: "Moved and seconded."

The Vote: "Cardinale, yes; Kent, yes; Kwasna, yes; Lull, yes; Villella, yes. The resolution is adopted."

Resolution #1226

Councilman Kent: "This is a \$3,300 budget adjustment in the refuse and garbage district. So moved."

Councilman Kwasna: "Second."

Supervisor Villella: "Moved and seconded."

The Vote: "Cardinale, yes; Kent, yes; Kwasna, yes; Lull, yes; Villella, yes. The resolution is adopted."

Resolution #1227

Councilman Lull: "This is a CDA Agency Calverton budget adjustment. So moved. Basically from repair and maintenance to legal expenses."

Councilman Cardinale: "That's an interesting transfer. Yeah, that's interdepartment so, yes."

The Vote (Cont'd.): "Kent, yes; Kwasna, yes; Lull, yes; Villella, yes. The resolution is adopted."

Councilman Cardinale: "Intradepartment, I should say."

Resolution #1228

Councilman Cardinale: "I mean to say it's intradepartment, meaning within the same department, on the last one. On 1228, this is a recreation program fund budget adjustment. So moved."

Councilman Kwasna: "Second."

Supervisor Villella: "Moved and seconded."

The Vote: "Cardinale, yes; Kent, yes; Kwasna, yes; Lull, yes; Villella, yes. The resolution is adopted."

Councilman Kent: "Question. What's volleyball social security?"

Councilman Lull: "All those balls have numbers."

Councilman Kent: "Volleyball social security?"

Councilman Lull: "I mean, when you retire them."

Councilman Kent: "The balls have retirement, huh?"

Councilman Lull: "When you retire them-- "

Councilman Kwasna: "Volleyball security-- going to social security."

Councilman Kent: "No. But it says volleyball social security."

Supervisor Villella: "That's okay. We know what it's for."

Barbara Grattan: "The resolution is adopted."

Resolution #1229

Councilman Lull: "Is a highway department budget adjustment, basically from blacktop expense to general repair expense. So moved."

Councilman Kent: "Seconded."

Supervisor Villella: "Moved and seconded."

The Vote: "Cardinale, yes; Kent, yes; Kwasna, yes; Lull, yes; Villella, yes. The resolution is adopted."

Resolution #1230

Councilman Cardinale: "This is a water district budget adjustment, \$20,250. So moved."

Councilman Kent: "Seconded."

Supervisor Villella: "Moved and seconded."

The Vote: "Cardinale, yes; Kent, yes; Kwasna, yes; Lull, yes; Villella, yes. The resolution is adopted."

Resolution #1231

Councilman Kwasna: "This is a municipal garage fund budget adjustment of \$1,500. So moved."

Councilman Lull: "Second."

Supervisor Villella: "Moved and seconded."

The Vote: "Cardinale, yes; Kent, yes; Kwasna, yes; Lull, yes; Villella, yes. The resolution is adopted."

Resolution #1232

Councilman Lull: "Joint scavenger waste district budget adjustment of \$1,500. So moved."

Councilman Cardinale: "Seconded."

Supervisor Villella: "Moved and seconded."

The Vote: "Cardinale, yes; Kent, yes; Kwasna, yes; Lull, yes; Villella, yes. The resolution is adopted."

Resolution #1233

Councilman Kwasna: "This is a special trust fund budget adjustment. This is rec fees of \$328,000 adjustment. So moved."

Supervisor Villella: "Chris?"

Councilman Kent: "Yeah, I'm looking at it."

Supervisor Villella: "Okay."

Councilman Kent: "I'll second it."

Supervisor Villella: "Moved and seconded."

Councilman Kent: "We did discuss these at the committee. Some of these date back quite a long time."

Councilman Lull: "Chris, I have a question."

Councilman Kent: "Yes."

Councilman Lull: "The last one."

Councilman Kent: "I believe that's for a bathroom facility."

Councilman Lull: "Yeah, I know what it's for. But why is it not included in the bid-- in the bond?"

Supervisor Villella: "Actually, it is. That whole building is going to be built up. It's going to be a whole new building and everything."

Councilman Lull: "So then it shouldn't have to be transferred from recreation and park."

Councilman Kent: "Yeah, Jack, could you come up on this? As I recall, we're doing bathroom facilities separately under the trust fund rather than bonding it out at Iron Pier and in Wading River. So you could tell me if I'm incorrect on that. I believe that was the discussion. Is Jane here? She was here earlier. Okay."

Jack Hansen: "Normally during the course of the year the last couple of years, budgets have been adopted (inaudible) special capital projects. Part of that was to show funding of park and rec fees as how the source of funding was coming from. What we didn't do was pass a budget to allow monies to come out in a special trust. That's what this budget is (inaudible). These are all monies that have (inaudible) into capital projects (inaudible)."

Councilman Kent: "Now, does this impact the monies that we reported at the last meeting? This does not impact-- these are monies that were already dedicated that just were never properly transferred? So that the balance of the trust fund is the figure you gave at the last rec meeting which was almost \$400,000."

Jack Hansen: "This is-- "

Councilman Kent: "These are monies that were already dedicated."

Jack Hansen: "Based on capital projects that the Town Board has adopted in the past."

Councilman Kent: "Were already encumbered, let's say. Or they were encumbered for these projects and now they're actually being transferred."

Jack Hansen: "Correct."

Councilman Kent: "Okay."

Councilman Lull: "Still my question, Jack-- that didn't answer the question. The question was why isn't the Iron Pier Beach improvement included in the Iron Pier bond."

Jack Hansen: "This was something that was transferred a while back with the planning of the Iron Pier Beach-- "

Councilman Lull: "So it was in planning and design. Was done-- okay."

Jack Hansen: "Yes."

Councilman Kent: "This isn't the bathroom facilities that we're talking about-- "

Jack Hansen: "There are no bathroom facilities-- "

Councilman Kent: "Okay. Because we're talking about that now for Iron Pier and for Wading River."

Jack Hansen: "And there are two budgets also in there-- they are \$1,500 and \$25,000-- those are for-- "

Councilman Kent: "Well, those are for other things."

Jack Hansen: "Right. Those are things that the recreation committee (inaudible) are deemed necessary-- "

Councilman Kent: "That's just action we took at the last rec meeting."

Jack Hansen: "Correct. And when those monies get transferred, you'll have another budget adoption to address the special trust fund (inaudible)."

Councilman Kent: "Yes."

Supervisor Villella: "Before you leave, I just want to mention. Iron Pier, the meeting that we had this week with the engineer and everything, we're going to be bond-- do we need a resolution?"

Jack Hansen: "There's a bond resolution in the packet."

Supervisor Villella: "I just wanted to make sure. Get it going, yes, Iron Pier. Great. Okay."

Councilman Kent: "Okay. I second the resolution."

Supervisor Villella: "Moved and seconded."

The Vote: "Cardinale, yes; Kent, yes; Kwasna, yes; Lull, yes; Villella, yes. The resolution is adopted."

Resolution #1234

Councilman Kwasna: "This is a risk retention fund budget adjustment of \$15,000. So moved."

Councilman Cardinale: "Seconded."

Supervisor Villella: "Moved and seconded."

The Vote: "Cardinale, yes; Kent, yes; Kwasna, yes; Lull, yes; Villella, yes. The resolution is adopted."

Resolution #1235

Councilman Cardinale: "This is a police emergency boat capital project budget adjustment which I am moving and asking for discussion on. So I'm moving it and somebody else is seconding it."

Councilman Kwasna: "Second."

Supervisor Villella: "Moved and seconded."

The Vote: "Cardinale."

Councilman Cardinale: "Discussion."

Supervisor Villella: "Discussion."

Councilman Cardinale: "Isn't this the one where Steve wasted-- spent a great deal of time expressing that if we bidded for one number we should really spend that number and what's a boat engineer."

Councilman Kwasna: "It should be boat engine, I think."

Councilman Kent: "That was the same mistake last time we put money into this."

Councilman Cardinale: "Yeah, boat engine dual. I would suggest before voting no that we abide by what Steve had said about not going over bid particularly if we're taking it-- we're taking it from another fund, aren't we? From the general fund, not even within the police department. So if they want the two engines, why don't they pay for it out of their own budget?"

Supervisor Villella: "Jack."

Councilman Kent: "And didn't we already put the money in for this? I remember another resolution that said boat engineer on it and I think it was for this same boat."

Jack Hansen: "You adopted a resolution earlier in the year for a police pursuit boat, whatever-- (inaudible) vessel (inaudible). Two engines were ordered for \$10,500 give or take, that was for carburetor engines."

Councilman Kwasna: "This is fuel injection."

Jack Hansen: "The problem is that the carburetor engine needs to be heated up. If you're doing a rapid deployment, sitting on the Sound and you have to sit there and let the engines warm up, that defeats the purpose of the rapid deployment vessel. The change in front of you is authorized to cancel the purchase order for the two carburetor engines and make them fuel injected engines. Therefore, we do not have to sit on the beach and wait for the engines to warm up. They've also determined they need more heavy duty type trailer, again, launching on the Sound not on boat ramps. And that's what's before you."

Councilman Cardinale: "Do they have a boat now?"

Jack Hansen: "They have a boat (inaudible)."

Councilman Cardinale: "How many-- I mean, last year, did they

have a boat?"

Jack Hansen: "No, they did not."

Councilman Lull: "It's been several years since the police boats were-- "

Councilman Cardinale: "And the last time they had a boat, how many times did they go in the Sound?"

Jack Hansen: "They do not have a rapid deployment vessel. And what we have, a \$51,000 boat (inaudible)."

Councilman Cardinale: "Yeah, I think-- I'm not asking, you're wonderful, I must say, your administration here. If you answer-- you never answer the question. You always give answers, but they're not to the question."

Councilman Lull: "Your answer, Phil, the last time they had a police boat, it was docked at East Creek Marina and worked only in the Sound-- in the bay."

Councillman Cardinale: "So we never had one in the Sound before."

Jack Hansen: "No. Right now there's a bay constable with a vessel in the bay."

Councilman Cardinale: "Don't get me started."

Jack Hansen: "As a bay constable."

Councilman Cardinale: "Don't get me started with the bay constable."

Jack Hansen: "And it used to be many years ago-- "

Councilman Cardinale: "It is the holidays."

Councilman Lull: "Are you suggesting a Sound constable? Is that what you-- "

Jack Hansen: "You have a vessel here. You have a grant-- "

Councilman Kent: "No. Did we train-- "

Jack Hansen: "Whether the carburetor versus the fuel injected."

Councilman Kent: "Didn't we train some police officers to take this boat out into the water and do rescue-- "

Supervisor Villella: "They already did the exercises."

Councilman Kent: "-- and all those-- right."

Jack Hansen: "Basically the vessel (inaudible). There were a couple of instances this past year where a boat was necessary. They didn't have the proper vessel to go out there."

Councilman Kent: "And the plane went down in the Sound."

Councilman Cardinale: "Let me ask you this. Relative-- I know why-- Steve's point, and a well taken one, is that the bid was such and such and our price is significantly higher now with the additions. I understand we got \$51,000 but we spent how much in addition to the 51 of Town money?"

Supervisor Villella: "Well, we had to match the grant."

Jack Hansen: "\$52,500."

Councilman Cardinale: "In addition to what we got?"

Jack Hansen: "No. Spend totally."

Councilman Cardinale: "Okay. And how much of it was granted?"

Jack Hansen: "\$40,000."

Councilman Cardinale: "Okay. And this would be additional, right?"

Jack Hansen: "Yes."

Councilman Cardinale: "Okay. Why don't they take it from the police budget? Why do we have to move it from the general fund?"

Jack Hansen: "Well, the police budget is in the general fund."

Councilman Cardinale: "But it's not within their budget. It just-- in other words, is there anywhere in the police budget that we

could take the money for the police boat?"

Councilman Kwasna: "Is this line item in the police budget?"

Councilman Kent: "The 406.013110. Is that-- "

Jack Hansen: "In less than 48 hours whatever is left in the police budget becomes part of the general fund."

Councilman Cardinale: "He did it again. He didn't answer the question. My question is, this appears to be-- interdepartments budgets don't change-- "

Councilman Kent: "Intra."

Councilman Cardinale: "Intra, don't bother me. But when you're moving from-- "

Jack Hansen: "All this is an attempt to do is to show the entire cost of the acquisition of rapid deployment vessel in one place. I mean you could decide to take a little bit from here, a little bit from there, and you'd never know then as a Town Board what was expended for a police vessel and how much it cost you to put that boat in the water."

Councilman Cardinale: "The police-- the additional funds necessary in addition to the grant to fund this vessel, are they coming from police funds, police department budgeted monies?"

Jack Hansen: "For all intents and purposes, yes."

Councilman Cardinale: "What does that mean?"

Jack Hansen: "That means you have the first line on that budget transfer is coming from the general fund. I have excess monies left in the police budget so it would be the same-- "

Councilman Cardinale: "When you take it out of other than the police budget, the-- "

Jack Hansen: "I can't transfer money out of the police line and say okay I'm no longer buying something that was adopted that way, you have to then transfer the money from the police to a transfer to this capital project, and this transfer would go into capital project."

Councilman Kwasna: "I think basically what he's saying, Phil, is-- "

Councilman Cardinale: "Please transfer, yes."

Councilman Kwasna: "Thirty-six hours from now anything that's left in the police budget becomes general fund money again anyhow. So basically this is coming out of the-- "

Supervisor Villella: "They have a surplus."

Councilman Kent: "The real question is, is there a surplus in the police budget to cover this amount?"

Councilman Lull: "He just said yes."

Councilman Kwasna: "He said yes."

Jack Hansen: "At of this point in time and this morning because we've already paid all the overtime for example, police, and do not see a transfer going into that overtime line, there's something like \$25,000 left in police overtime."

Councilman Cardinale: "I think I understand what you're saying. I'm still voting against it but it is clear."

Councilman Kent: "Now, I have another question on this. Didn't we already approve a capital budget for this that was in excess of \$51,000?"

Jack Hansen: "Yes. \$51,000 plus the \$10,000 for the engine plus 15 or-- "

Councilman Kent: "So it was about \$65,000 as I recall."

Jack Hansen: "Yes."

Councilman Kent: "You said we spent \$51,000 of that."

Jack Hansen: "Right. We have a boat. We have not purchased the trailer and we have not purchased the engine. We have a purchase order outstanding for-- "

Councilman Kent: "Right. You just said we approved \$65,000. So is this money that we're putting in there now in excess of the

\$65,000?"

Jack Hansen: "Because the engine-- "

Councilman Kent: "So now it's going to be \$70,000, the total cost?"

Councilman Cardinale: "Yeah. Let me bring this down before I vote no."

Supervisor Villella: "Steve's point was that the bid for the thing was 51-- "

Councilman Kent: "No, 57."

Councilman Cardinale: "50-- "

Councilman Kent: "It was 57 as I recall."

Councilman Cardinale: "And we were going to get a grant for 51 and, therefore, we're going to expend 6. What's really happening is that we are spending 70, not-- the difference between 70 and 51 are 19 instead of 6,000 for this stuff. Now I get it."

Councilman Kent: "Is that correct?"

Jack Hansen: "The federal government is assisting you in getting a rapid deployment vessel."

Councilman Kent: "And we're getting \$51,000 total in grant money?"

Jack Hansen: "I believe that's what the budget-- "

Councilman Kent: "And we're spending \$70,000? But the bid was 57."

Jack Hansen: "But understand \$51,000 that you're getting from the federal government did not say only spend \$51,000. It said you had to pay an additional cost in order to get to qualify for \$51,000."

Councilman Kent: "Right. In order to qualify we had to buy the boat and have it ready to be deployed."

Jack Hansen: "So you had to adopt more of a budget (inaudible)."

They weren't just giving you a boat in other words."

Councilman Cardinale: "Yeah, but Jack, once again you're doing it. The fact is that if we had decided to spend \$6,000 they would have still given us the boat. We decided we were going to get a better trailer, dual engines, instead of a single engine because the hull doesn't work good with one engine and now we're also getting fuel injection instead of carburetion and-- "

Jack Hansen: "The engines were-- \$10,500 purchase order-- two engines on it."

Councilman Cardinale: "Right. And it would have been \$5,000 if it was one engine. But we, not me but the Board in general, elected to spend that extra money. Now we're electing to spend additional extra money or that's what you're asking us to do, so that our contribution becomes 19 when it might have been 6 and that's pretty much the story of why the taxes in this town go up."

Supervisor Villella: "What happened with this situation is that they didn't do the research because the company came back and said you can't-- it doesn't make sense to have one engine. You should have two engines. Then the company said, well, you should have injectors instead of carburetors."

Councilman Cardinale: "Right. And, of course, they are selling them to us so-- "

Supervisor Villella: "So the homework wasn't done right at the beginning and that's where the problem is."

Jack Hansen: "The engines come from a different company."

Supervisor Villella: "Steve wouldn't have minded if he had known that it would have been \$70,000 from the beginning."

Councilman Lull: "They rejected the engines from the boat company."

Jack Hansen: "I think hindsight-- the project should have come intact to you versus piecemeal."

Councilman Kent: "Definitely."

Supervisor Villella: "It wasn't right."

Councilman Lull: "There should have been \$70,000."

Supervisor Villella: "Right. They should have came with a figure of 66 or 70 or whatever it is from the beginning. They didn't do their homework the right way."

Jack Hansen: "So what you have is a bond issue-- "

Supervisor Villella: "But it's needed so that's the thing."

Councilman Lull: "Have you seen that boat? It looks like a nice boat."

Councilman Cardinale: "I would like to have a report at this time next year how many times that boat went in the Sound. I'll bet you it's less than five times in the whole year."

Supervisor Villella: "Well, they train on it."

Councilman Cardinale: "If you extrapolate your costs over-- I don't want to think about it."

Councilman Kent: "Yeah, but you know, you want to go back then, if it goes in once, it saves a person's life, so who cares if it goes in only five times?"

Councilman Cardinale: "I still care."

Councilman Kent: "How much value do you place on a person's life? That's what it comes down to."

Councilman Cardinale: "A great deal. On that theory you would keep spending-- "

Supervisor Villella: "Okay, we've got to have a vote on this. Phil is saying no."

The Vote (Cont'd.): "Cardinale."

Councilman Cardinale: "No, for reasons stated."

The Vote (Cont'd.): "Kent."

Councilman Kent: "Because I think the boat is important, I will vote yes, though I do not like the way it was presented at the

beginning and I hope Jack will improve his presentation in the future."

Supervisor Villella: "I don't think it was him. You might as well take the blame for it even though it wasn't yours."

The Vote (Cont'd.): "Lull, yes; Villella, yes. The boat is approved."

Resolution #1236

Councilman Lull: "1236 is a resolution authorizing the issuance of \$2,250,000 serial bonds of the Town of Riverhead, Suffolk County, to pay the cost of the original improvement and embellishment of Iron Pier Beach and for said town."

Councilman Kent: "Improvement and embellishment. I'll second it."

Supervisor Villella: "Moved and seconded."

The Vote: "Cardinale."

Councilman Cardinale: "Yes, discussion. This is-- was supposed to be a million dollar project at Iron Pier. It's now a \$2,250,000 project-- "

Councilman Kent: "And I move to table it, really."

Councilman Cardinale: "I'd like Iron Pier to be fixed but I'm surprised at the numbers. Weren't we going to rebid these numbers or do something with this? I think the numbers were very much larger than we had anticipated and I know that we're just establishing a bond and we can still go out and do all that other stuff, but what's the point? Why don't we get some new bids? These bids came in at least 50% more than we expected."

Supervisor Villella: "That's the problem, because they took the old bids from 1990, '91, when the old Boards were looking at it and that's-- it was never updated. The price it was in '90, '91. That's what I was told. Is that true, Jack?"

Councilman Cardinale: "Jack, could shed a little darkness on this?"

Councilman Kwasna: "The site plan should have been completely redone-- different project."

Jack Hansen: "Phil, this is one you're going to love."

Councilman Cardinale: "I can hardly wait. Go ahead."

Jack Hansen: "Part of this design from the way I understand it is to appease the DEC. Because (inaudible) their approval. So I think that is the reason why we have currently in the Town Clerk's office for (inaudible) for the construction of this. The 2.25-- \$2,250,000 is strictly for all the costs that will be involved. It is the maximum number and that's why you have the (inaudible). Unlike how the boat was done. This is you can't exceed this number."

Supervisor Villella: "And the interest and the principal will be paid out of rec fees so it won't cost the taxpayers any money."

Jack Hansen: "If the Town Board wants to dedicate the rec fees that come in that year to this bond issue, that's supposed to be done."

Councilman Cardinale: "This is a maximum amount and it leaves open to Bob and the new Board to rebid this as-- "

Jack Hansen: "You have not awarded the bid-- "

Councilman Cardinale: "Right."

Jack Hansen: "You cannot award a bid until after the permissive referendum."

Councilman Kent: "Doing this, just establishes that it can't cost more than this."

Supervisor Villella: "Then the new Board can work on it."

Councilman Kent: "It doesn't expend a dollar of our money."

Jack Hansen: "And you can't spend dollars until you award a contract. You have not awarded a contract yet."

Councilman Cardinale: "It authorizes a bond issue for this amount in anticipation of it costing something like this amount but if it costs a lot less, we'd be very happy. That's basically it, right."

Jack Hansen: "If you rebid it as a Board and decided that 1.7 is too high, you can rebid for a million dollars and still have that bond (inaudible)."

Councilman Cardinale: "Yeah, I get it."

Jack Hansen: "It's not expending any money and it's not borrowing money."

Councilman Cardinale: "What's the point of doing it then until we know we actually have bids that we are going to do it?"

Jack Hansen: "Because you can't award a bid without a bond authorization. You can't award a bid first and then do a bond authorization."

Councilman Cardinale: "You have to have this in place even if you want to rebid. Before you issue a bid, or before you award a bid, this has to be done."

Jack Hansen: "You have to have a bond (inaudible)."

Councilman Cardinale: "But wouldn't it make more sense to do the rebidding before you did this?"

Jack Hansen: "If that's the desire of the Board."

Supervisor Villella: "You could do-- "

Councilman Lull: "But you're not really binding yourself to any number, Phil. And you're not binding yourself-- "

Councilman Cardinale: "I understand. Right. It would be quicker."

Jack Hansen: "And requires the Board (inaudible)."

Supervisor Villella: "Because if you want to get that in by May-- "

Councilman Cardinale: "This thing."

Councilman Kwasna: "By this summer."

Supervisor Villella: "Yeah, if you want to get that done by at

least the Pier and everything in May-- "

Councilman Cardinale: "Well, that's the most, I suppose that getting this out of the way will enhance the possibility of actually getting something moving up there for the next year."

Supervisor Villella: "This has been lagging for too damn long."

Councilman Cardinale: "All right, thank you for the clarification."

Councilman Kwasna: "Did you second it, Chris?"

Councilman Kent: "Yeah, we moved and seconded it already."

Barbara Grattan: "Cardinale, that's where it was. Are you voting yes or no?"

Councilman Cardinale: "I'm voting yes for the reasons indicated on the record."

The Vote (Cont'd.): "Kent, yes; Kwasna, yes; Lull, yes; Villella, yes. The resolution is adopted."

Resolution #1237

Councilman Cardinale: "Resolution #1237 approves the site plan of Sunken Pond Estates. So moved."

Councilman Lull: "Second."

Supervisor Villella: "Moved and seconded."

The Vote: "Cardinale."

Councilman Cardinale: "Discussion. Chris, did you-- I know you were onto this."

Councilman Kent: "Yes. This was kind of a lengthy negotiations on this and I think we got two positive additions to this resolution. One is the fourth Whereas clause which is-- the last resolution did not contain this Whereas clause, which says that instead of having the applicant sterilize 23 noncontiguous acres we had the applicant agree to purchase 23 contiguous acres which changes this parcel from a 38 acre parcel to a 61 acre parcel. They also reduced the number of

total units from 224 units to 192 units. That's done in the Resolve clause and it's now 192 units on 61 acres."

Supervisor Villella: "And it's senior citizen."

Councilman Kent: "And it's going to be done in phases and this only approves sections 1 and 2 which will be the first 114 dwelling units. He also-- the applicant has also submitted to the Town a covenant and restriction that the property will only be used by someone 55 years or older. And that has been received by the Town and I have seen the actual document, the original."

Councilman Cardinale: "Thank you. I'd like to vote yes."

The Vote (Cont'd.): "Kent, yes; Kwasna, yes; Lull, yes; Villella, yes."

Supervisor Villella: "And I want to thank you, Chris, for negotiations to get this into a better project."

Barbara Grattan: "The resolution is adopted."

Resolution #1238

Councilman Kwasna: "This approves the site plan of Pamela Boyle for a bed and breakfast. So moved."

Councilman Cardinale: "Chris, you're seconding this."

Councilman Kent: "Seconded. Have we seen this site plan? Rick, do you have this bed and breakfast site plan for the Boyles? Pamela Boyle, excuse me, not-- "

Councilman Kwasna: "Yeah, we had the public hearing on this."

Councilman Kent: "I don't remember seeing the site plan though."

Rick Hanley: "You approved the special permit for the use which was conditioned on the submission of the site plan. The purpose of a site plan, it's an existing building, there are no proposed changes. We just wanted to ensure the department or the Board that there was adequate parking for the use, two parking spaces. So there's really no site plan per se. It's the survey of the property showing the parking area and we did an inspection."

Councilman Kent: "Right. It also gives us some opportunity to put some conditions upon the approval which I see you've attached."

Rick Hanley: "Right."

Councilman Cardinale: "Which brings me to a question, Rick. Apparently we used these covenants and restrictions for all site plan approvals-- "

Rick Hanley: "Those are boilerplate."

Councilman Cardinale: "They are boilerplate, and they talk about adequate parking for the handicapped. They also talk about signage and they also talk about nursery stock, topsoil-- "

Rick Hanley: "Not all of those apply."

Councilman Cardinale: "Yeah, do you-- and this is at some expense to the applicant."

Rick Hanley: "The filing of the declaration?"

Councilman Cardinale: "Yeah. I'm wondering if maybe we could knock it off on some of them like, for example, the bed and breakfast. Just, you know, get a special permit and approve it without covenants."

Rick Hanley: "What's the expense, Phil? Just the filing fee itself?"

Councilman Cardinale: "Yeah. It's like-- "

Rick Hanley: "Is it per page?"

Councilman Kent: "No, it's a base charge and then it's per page."

Councilman Cardinale: "Probably seventy-five bucks for the covenants plus-- "

Rick Hanley: "We could look into that."

Councilman Cardinale: "Yeah. So maybe we should do that. Somebody-- it happened-- I'm raising it because someone was in my office yesterday moaning about covenants that were inapplicable but

yet required."

Rick Hanley: "Was this about a subdivision?"

Councilman Cardinale: "It was on a-- somebody was looking for an awning. And they got a site plan for the awning approved but then they got all the covenants attached which had nothing to do with the awning they were putting in."

Rick Hanley: "The Town should look into that. (Inaudible)."

Councilman Cardinale: "See these-- Vinny was asking-- these that you look at, they have always have their boilerplate as you say. They have to do with soil conditions, signage, nursery stock. It has nothing to do with the application generally."

Rick Hanley: "Now what we could do is go through each one and see which ones apply and take them off, it's just faster to do it this way."

Councilman Cardinale: "Yeah, I understand. Yeah, some of them you may be able to do without any."

Councilman Kent: "We should actually leave the opportunity to review these and amend them, should be the applicant's responsibility and you can ask the applicant if you see anything in these declaration and covenants that you think do not apply, tell us and we will decide whether they apply or not. I think that's how we should leave it."

Councilman Cardinale: "Thank you."

Supervisor Villella: "Thanks, Rick. All right. We had discussion. It was moved and seconded."

The Vote: "Cardinale, yes; Kent, yes; Kwasna, yes; Lull, yes; Villella, yes. The resolution is adopted."

Resolution #1239

Councilman Kwasna: "1239 authorizes a service agreement with the Calverton Sewer District. So moved."

Councilman Lull: "Seconded."

Supervisor Villella: "Moved and seconded."

The Vote: "Cardinale, yes; Kent, yes; Kwasna, yes; Lull, yes; Villella, yes. The resolution is adopted."

Councilman Cardinale: "Although I voted yes, I believe somewhere in this there's a two day cancellation clause so it's consistent with letting the new administration take a look at this."

Councilman Kent: "Right of rescission."

Resolution #1240

Councilman Lull: "Budget adjustment for the children's playground. So moved."

Councilman Kwasna: "Second."

Supervisor Villella: "Moved and seconded."

Councilman Kent: "Okay. A little brief discussion. These are the next two resolutions were both actions that were taken at the last recreation advisory committee meeting. The \$1,500 is to pay to a playground planner, even though it's not a plan ground-- it's a playground, we're going to have a planner who looks at it and comes up with a better design. I don't know if anybody's been over at Stotzky Park playground. It's basically a fenced in area and everything is just kind of put in there.

And the second one is to finish the South Jamesport park. This is the final, this is the improvements which is the resurfacing of the tennis courts themselves. We've lit them now, there's a basketball court, and now we're going to resurface them and finish that up. There's also going to be a barrier put up so you can't drive your car onto the tennis courts. This should be the final monies-- "

Councilman Lull: "Be nice to have a-- Chris, it would be nice to have a wood guardrail along that fence all the way in from the road."

Councilman Kent: "That's basically what they're asking for."

Councilman Lull: "All the way in from the road?"

Councilman Kent: "That's correct."

Councilman Lull: "Good."

Supervisor Villella: "But we're doing one at a time though. Okay. 1240. It was moved and seconded."

The Vote: "Cardinale, yes; Kent, yes; Kwasna, yes; Lull, yes; Villella, yes. The resolution is adopted."

Resolution #1241

Councilman Kent: "This is \$25,000 for the-- as a capital improvement project budget adjustment for the South Jamesport tennis court improvement. So moved."

Councilman Cardinale: "Seconded."

Supervisor Villella: "Moved and seconded."

The Vote: "Cardinale, yes; Kent, yes; Kwasna, yes; Lull, yes; Villella, yes. The resolution is adopted."

Barbara Grattan: "Jack, we have to pay bills, too, don't we?"

Resolution #1242

Councilman Kwasna: "Resolution 1242."

Barbara Grattan: "Okay. We've got another resolution."

Councilman Kwasna: "I make a motion that we pay the bills, 1242."

Supervisor Villella: "1242 is to pay bills."

Councilman Kent: "Seconded."

Supervisor Villella: "Moved and seconded."

The Vote: "Cardinale, yes; Kent, yes; Kwasna, yes; Lull, yes; Villella, yes. The resolution is adopted."

Resolution #1243

Councilman Kent: "Is this the one that appoints the police officer to the police department?"

Supervisor Villella: "Yes, yes, we got the grant."

Councilman Kent: "This is police officer #77? 77, here we go. So moved."

Councilman Lull: "Seconded."

Supervisor Villella: "Moved and seconded."

The Vote: "Cardinale."

Councilman Cardinale: "Yeah, I was just looking at this. I'd like to discuss this for a minute. The Town of Riverhead has been awarded additional funding for hiring to supplement the salary of one new Riverhead police officer in the amount of \$25,000 for three years by which it is my understanding we are going to get \$25,000 for three years, totaling \$75, so long as we maintain the present level and as so long as we pay the additional monies which, Jack, could you indicate the cost of a police officer for the first, second and third year?"

Jack Hansen: "The full cost for a police officer for the first year is \$50,000."

Councilman Cardinale: "And during six months of that, he's in the academy? He or she is in the academy?"

Supervisor Villella: "Not this person. He's a part time."

Jack Hansen: "He would be nine months."

Councilman Cardinale: "Nine months-- "

Jack Hansen: "This particular person has already gone through the-- what we call (inaudible)."

Councilman Cardinale: "But they have to go back for longer?"

Jack Hansen: "That's the policy."

Councilman Cardinale: "Okay, so they're going to go back for nine months at which point what do we pay them for those nine months?"

Jack Hansen: "Full salary."

Councilman Cardinale: "What is that?"

Jack Hansen: "Salary is \$39,000 base pay."

Councilman Cardinale: "So they're paid during that period in that academy plus benefits which equal approximately what percentage of the salary?"

Jack Hansen: "About (inaudible) percent."

Councilman Cardinale: "So we're paying them in excess of \$50,000 the first year. If they come out-- if they do not-- if they flunk the academy, we just simply have lost the money. If they get through the academy and go to work, what's the second year salary?"

Jack Hansen: "The second year salary is roughly \$45,000. It goes all the way up to fifth year patrolman is \$69,000."

Councilman Cardinale: "Okay. So that will be 45 plus 20 percent or 25 percent for the benefits. You'd also have the third year which would be higher. The point of that exercise was to say that you have a grant for something doesn't mean you ought to do it because there's considerable additional expense as we learned with the boat and as we learn with the police officer. So the real question here is whether we need 77 police officers and that probably you anticipate my vote by that conclusion. No."

Councilman Kent: "Did we move and second this?"

Supervisor Villella: "Jack, how many police officers do we have that aren't working now, they're on disability or workman's comp?"

Jack Hansen: "(inaudible) he's in Tennessee or someplace. Ft. Knox. And there are at least two others, a Lieutenant and a police officer."

Councilman Cardinale: "What are they on? Workman's Comp?"

Jack Hansen: "It's a super Workman's Comp."

Councilman Cardinale: "All right. Even assuming the legitimacy of their being out, that leaves us with 75- 73 police officers now. Three out, 76 less than three is 73. So this would be the 74th active and 77th if the other guys ever came back."

Councilman Kent: "Well, Bassey's (phonetic) coming back. He's only on leave, right?"

Jack Hansen: "They're all paid (inaudible) they're all full salary."

Councilman Cardinale: "Right. So even if-- the point is they're all being paid. So that whether they're working or not, it's-- "

Jack Hansen: "Mr. Bassey was out for three months."

Councilman Kent: "He will not be paid."

Councilman Cardinale: "'Cause he's on leave, right?"

Jack Hansen: "Right. He's on a voluntary leave of absence for the military."

Councilman Kent: "He went on to active tour."

Councilman Cardinale: "So I would urge my fellow Board members to consider whether we need 77 police officers, 74 of whom are going to be on active duty and maybe 77 if they all come back at the costs outlined in my questioning of the budget officer."

Jack Hansen: "In order to have this grant approved for the next three years, you must maintain a force (inaudible)."

Councilman Cardinale: "You can't lower it so we're locking ourselves in. How long do we have to keep it at the present force? We're committed from another grant to keep it at-- "

Jack Hansen: "We have another year to go."

Councilman Cardinale: "So, we're actually extending-- we presently must keep 76 for an additional year. If we pass this, we must keep 77 for an additional three years."

Jack Hansen: "Three years from the date of hire, that's right."

Councilman Kwasna: "To receive the money. We could lower it but we wouldn't receive the grant."

Jack Hansen: "The grant money-- "

Councilman Lull: "We could lower it-- "

Jack Hansen: "If somebody retired next year, say January, and you didn't replace them, you're above the grant."

Councilman Cardinale: "Yes. You have to keep it at that level by replacement even from attrition. Okay. You can imagine that I wouldn't change my vote from what we just discussed. But do you want me to vote now? Can I vote again?"

Barbara Grattan: "I want your vote."

Councilman Cardinale: "The vote is no, I do not believe we need 77 police officers."

The Vote (Cont'd.): "Kent, no; Kwasna, yes; Lull, yes; Villella, yes. The resolution is adopted."

Barbara Grattan: "Now, do you have any more resolutions? Close that meeting, because we've got to open a CDA."

Supervisor Villella: "You have a CDA?"

Barbara Grattan: "Yes."

Councilman Kent: "We have that one resolution that we had to vote on that was tabled about the-- is that a CDA meeting?"

Supervisor Villella: "I close the regular board meeting."

Meeting closed: 1:06 p.m.

Meeting reopened: 1:11 p.m.

Supervisor Villella: "We're going to reopen the Town Board meeting. Anyone-- any comments?"

Councilman Kent: "I hate to leave you guys. I'm only an hour and a half behind schedule."

Supervisor Villella: "Thanks for staying. Say hello to the family. No, no, he has to go to Southampton. He's late."

Councilman Kent: "I was supposed to be at Southampton at 12:00."

Supervisor Villella: "Go ahead, Chris."

Councilman Kent: "I'm sorry."

Supervisor Villella: "No, that's not on. Yes, that's on."

Zabby Chamberlain: "Hi. I'm Zabby. I'd like to enter into the record a letter that I already gave to Barbara."

Councilman Cardinale: "Is that really your name? Zabby? Do you have an address?"

Supervisor Villella: "Abagail."

Zabby Chamberlain: "It's short for Elizabeth."

Supervisor Villella: "Elizabeth. Okay."

Councilman Cardinale: "Do you have a last name?"

Zabby Chamberlain: "Yes. Chamberlain."

Councilman Cardinale: "Elizabeth Chamberlain. Nice to meet you. I mean now that I know you as Elizabeth. I always know you as Zabby. Okay."

Zabby Chamberlain: "I-- as I say, I would like the opportunity since the Supervisor that's coming in and the Councilman coming in is here, to read this letter."

Supervisor Villella: "Not the whole thing though. Go ahead--"

Zabby Chamberlain: "I would like to reserve then the right to add to my testimony at the next public hearing and continue reading the letter or read the whole thing then."

Supervisor Villella: "Well, we have it on file."

Councilman Cardinale: "Why don't we-- we could submit a copy, Zabby, to the clerk so that it's available for the public--"

Supervisor Villella: "And the new Town Board, too."

Councilman Cardinale: "And I think probably Bob Kozakiewicz would-- Ed Densieski isn't here and I know he'd want to be here. So I think maybe you could read it at the next meeting, on Tuesday, the 4th. 'Cause we don't have much to do that night anyway."

Zabby Chamberlain: "Also, well, I'd like to begin it anyway."

Councilman Cardinale: "Give us the first paragraph. Give us a little flavor of what it's like."

Zabby Chamberlain: "Given that it's-- first of all, I'm the Steering Committee Chairperson for Public Access Television-- "

Supervisor Villella: "There's no TV here."

Zabby Chamberlain: "And there's a franchise agreement that may have a term of 10 years. I thought it would be important to have some time to be able to finish this letter and read it."

Cablevision of Long Island- this is going out to Cablevision of Long Island and will be delivered today and it's from the Public Access Television Association. It's for-- the reason for this the preservation of public access television and representation for the public in the decision-making processes relating thereto.

As a result of the recent action by Cablevision including the closing of Brookhaven Public Access television studio (inaudible) it was decided that an organization was needed to (inaudible) citizen interest in the preservation of public access television.

This is to inform you of the creation of the above titled organization and its purposes.

One. Congress imposed upon cable TV the obligation to provide public access television services as an extension of first amendment rights for all citizens. We intend to represent the citizens' interests to ensure the preservation of those rights on Long Island and across the nation. In that regard, we are sending copies of this letter to all relevant agencies and officials requesting that we be incorporated into their mailing lists so that we will be recipients of all pertinent correspondence, documents and invitations to meetings relating to public access television.

It is our intention to assume the role of third party intervenor in any negotiations such as regarding franchising rules and at any legislative public hearings that might alter our existing rights. Cablevision has opened the door to negotiations by convening the producer's meeting. It is our desire to have regular ongoing meetings with Cablevision to hammer out a set of guidelines based upon the law and regulations but resolving those ambiguities and disagreements of

interpretation-- ensure that all parties clearly understand the rights and obligations.

This manual including the relevant provisions of the law, regulation and negotiated agreement should be provided to each producer. This should alleviate confrontations and disagreements. Thereafter either party should be able to request a conference to resolve a dispute."

Supervisor Villella: "Okay. Well, you can't read the-- "

Zabby Chamberlain: "I'm not-- "

Supervisor Villella: "You narrowed it down? Okay."

Zabby Chamberlain: "Our ultimate goal is to participate in the operation and administration of public access television to ensure fair and equitable practices and procedures which are open and above-board (inaudible) so as to ensure that no favoritism or discrimination takes places behind closed doors.

We request that pending the initiation of negotiations that Cablevision take no action which will diminish our rights or discourage public access television production. For instance, certain training requirements and schedules are being imposed at Riverhead which create various hardships by virtue of unilateral decisions perceived as unreasonable and (inaudible), not accommodating and discouraging.

Further, we assert that Cablevision is not in total compliance with the New York State regulations and codes nor with the Cable Act of 1992 thereby we are depending on our townships and governing representatives as our agents to police the situation as per New York State regulation and federal mandate. We ask them and our towns' attorneys to use due diligence to assess Cablevision's past performance including its history in showing a bad faith after signing the franchise agreement in Brookhaven township.

We are in a landlord-tenant relationship as New York Public Service Commission and regulation of (inaudible). Therefore, at this moment we have a right to more than one public education and government channel. Pertinent to this ongoing fight for more PEG or public education government (inaudible) as described in purpose 7, we believe that there exists a definite conflict of interests inherent in sharing of nonprofit public access television studio and the PEG

channel space and time from Cablevision's profit-making division called local origination or local origin. Local origin or local TV is a selling point in today's competitive market for subscribers. As such, Cablevision should have its only channel, its own studio, its own staff, its own equipment for local origin. However, now they do it with little or no overhead by utilizing public access television allocated studio, staff, (inaudible) and equipment.

Meanwhile, having the franchise affords them a big tax deduction. This, of course, is multiplied across the nation and at the public expense. We assert strongly the provision affording Cablevision this luxury tax free (inaudible) from the franchise agreement which are being sought. Although New York State code rules and regulations allow for this tax loophole, our representatives had the foresight to include a boot strap regulation which allows each township the right to seek a waiver of this provision. We urge that our townships to do this as well as (inaudible) to all cable services including cable modum and internet which extend public access programs to other countries already.

We further ask that part of these groups be designated solely for public access television and not be shared by Cablevision's local TV or local origination. In the interests of fair competition law, we ask that all the townships pull together as did five villages in Great Neck, Long Island negotiated together. They were able to obtain a (inaudible) public access deal granting that single town nine public education and government channels while here in Riverhead we have one, channel 27 which is shared by five townships or more.

We ask that our governing bodies bid out franchise agreements to the highest bidder who will pay the town on all cable services plus lowering our taxes substantially. There are many telecommunication companies out there and the one we happened to contact, Residential Communications (inaudible) is providing public access television in New York and wishes to break into the Long Island market. We hope Cablevision will also participate but without the hard nosed monopolistic corporate mentality.

Zabby, Steering Committee Chairperson."

Councilman Cardinale: "Zabby, thank you. Your point at number eight was particularly important. I've been looking for an explanation as to why Cablevision was taking a position that they were in regard to that and you gave a good explanation. Also, we have a lot of what you're asking for in the proposed agreement which you're

going to get a copy of."

Zabby Chamberlain: "And I would like also to ask that while we're here and there's three people left, I might be able to get-- "

Supervisor Villella: "You have a reporter back there-- an editor of a paper that would-- I think she would like to get a lot of this information because it's very important for the town."

Zabby Chamberlain: "Thank you. I have a copy to give her. And I would like to ask though at this time since there are three of you and there is a majority, I don't know the procedure or anything, but it maybe unconventional but I would like Vinny or Jim to make a motion or second, that I be allowed or my proxy be allowed to represent the public's interest at the negotiating table with Cablevision and Councilman Phil because we have a direct interest in this and many people will be coming to the table but we have an interest and (inaudible)."

Councilman Lull: "Zabby, you were sitting right here-- the town board meeting has already been adjourned. Okay."

Zabby Chamberlain: "Okay. Well, can we put it on the docket next time or something?"

Councilman Lull: "We can talk about-- we'll talk about it with the attorney."

Zabby Chamberlain: "Okay. Thank you very much gentlemen and, again, I feel that I have been cynical about government until I came here and I saw all five of you paying so much attention to people who wanted to have a voice in their government, wanted to have representation, wanted to their first amendment right, and I thank you gentlemen for honoring them and our other supervisor left who is coming in but I ask, again, to reserve the right to read that letter again at the next public hearing in January."

Councilman Cardinale: "Thank you."

Zabby Chamberlain: "And I also would like, if possible, to have Phil intervene with this thing (inaudible) and just about to give forth all these unilateral decisions and I would like you to intervene on our behalf to make us part of that negotiation of what kind of schedule, what kind of training we receive because our ultimate goal is to administer and to help in the administration of the public

access television so that we have a greater input in what's happening to us."

Supervisor Villella: "Thanks, Zabby."

Councilman Cardinale: "Thank you."

Zabby Chamberlain: "Would that be okay, then, to be able to help us?"

Councilman Cardinale: "I would be glad to talk to you. It's unclear what you're asking me to do from what you just said but I'll be glad to talk with you further."

Zabby Chamberlain: "Okay. Thank you very much."

Supervisor Villella: "Bill, would you like to speak?"

William Kasperovich: "Really? You heard enough of my voice."

Supervisor Villella: "Not really, but, it's up to you. Words of wisdom before I leave."

Councilman Cardinale: "I think it's especially appropriate that your reign is ending or your administration is ending with public comment."

Supervisor Villella: "Yes."

Councilman Cardinale: "And especially appropriate that it's Bill."

Supervisor Villella: "It has to be Bill."

Councilman Cardinale: "The last public comment of the Villella administration."

William Kasperovich: "Well, you told the young lady that the meeting has been closed."

Councilman Cardinale: "Right. But it's still business."

Barbara Grattan: "Bill, the tape recorder is still going. It didn't go off yet."

Councilman Lull: "The business section of the meeting."

Barbara Grattan: "Hurry up, talk. You've got about probably seven."

William Kasperovich: "(inaudible) come to the Town Board and (inaudible)."

Adam Grossman: "No, Bill, I think the only point Jim was making was that the resolutions that were prepared and adopted, that was-- that portion of the meeting was finished. This is still an official Board meeting. All the comments-- "

Supervisor Villella: "I left it open for public comment."

William Kasperovich: "I don't know how to thank you, Mr. Supervisor, more than I have privately in person. I think you've done a very good job. I don't see how any other human could have done better. The wish of the people is a very fickle thing. The (inaudible) and the talent (inaudible) with personal appearances, personal idiosyncrasies, the individual as its God given speech, appearance and what he does by virtue of his intelligence (inaudible) is not on display. Consequently people vote for a man because of his smile or the way he combs his hair. That is their choice in life. But the people of this township, a small township, in the last two years has paid better attention to the function and conduct of the Town Board. A lot of this is due to the good (inaudible) honest work by the outgoing Supervisor. We have not seen this kind of fine conduct for a long time. And for this everybody that considers themselves a resident of Riverhead should thank you."

Supervisor Villella: "Thank you, Bill. It was a good Board to work with."

Councilman Cardinale: "Thank you for your remarks. Again, appropriate you should end it with public comment. Vinny."

Supervisor Villella: "My fans. I'll be sitting out there with you, Bill. Don't worry. The meeting is now over and I got my thank you, Jim. I've got my sign here."

Meeting adjourned: 1:25 p.m.

Barbara Grattan
Town Clerk